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DEPARTMENT OF COMMERCE

INTERNATIONAL TRADE ADMINISTRATION

A-570-992

Monosodium Glutamate from the People's Republic of China: Preliminary Results of the Antidumping Duty Administrative Review; 2014-2015

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce

SUMMARY: The Department of Commerce (the "Department") is conducting the first administrative review of the antidumping duty order on monosodium glutamate ("MSG") from the People's Republic of China ("PRC") covering the period of review ("POR") May 8, 2014 through October 31, 2015. This review covers 38 manufacturers/exporters ("the companies") of the subject merchandise. None of these companies have filed a separate rate application ("SRA") and/or a separate rate certification ("SRC") to establish its separate rate status. Therefore, the Department preliminarily finds that the companies are part of the PRC-wide entity. We invite interested parties to comment on these preliminary results.

DATES: Effective [INSERT DATE OF PUBLICATION IN THE FEDERAL REGISTER] FOR FURTHER INFORMATION CONTACT: Kathryn Wallace or Alexander Cipolla, AD/CVD Operations, Office VII, Enforcement and Compliance, International Trade Administration, Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-6251 or (202) 482-4956, respectively.

SUPPLEMENTARY INFORMATION:

Background

On November 3, 2015, the Department published a notice of opportunity to request an administrative review of the antidumping duty order on MSG from the PRC.¹ In response, on November 30, 2015, Ajinomoto North America, Inc. ("Petitioner" or "Ajinomoto") requested a review of 38 companies.² Also on November 20, 2015, Neimenggu Fufeng Biotechnologies Co., Ltd. and its affiliate, Hulunbeier Northeast Fufeng Biotechnologies Co., Ltd. (collectively, "Fufeng") requested a review.³ The Department initiated a review of all 38 companies, which included Fufeng, on January 7, 2016.⁴ On February 8, 2016, Fufeng timely withdrew its request for review.⁵ No party timely submitted an SRA or an SRC.⁶ Thereafter, Petitioner submitted comments on the Department's selection of respondents, encouraging the Department to employ its customary policy to treat companies as a part of the country-wide entity in reviews where no party submits an SRA or SRC.⁷

¹ <u>See Antidumping or Countervailing Duty Order, Finding, or Suspended Investigation; Opportunity To Request Administrative Review</u>, 80 FR 67706 (November 3, 2015).

² <u>See</u> Letter from Ajinomoto to the Department of Commerce, Re: "Monosodium Glutamate from China: Request for Administrative Review," dated November 30, 2015, at footnote 1 which lists 38 companies for which Ajinomoto sought review.

³ <u>See</u> Letter from Fufeng to the Department of Commerce, Re: "Request for the First Administrative Review of the Antidumping Duty Order on Monosodium Glutamate from the People's Republic of China," dated November 30, 2015.

⁴ <u>See Initiation of Antidumping and Countervailing Duty Administrative Reviews</u>, 81 FR 736 (January 7, 2016) ("Initiation Notice").

⁵ <u>See</u> Letter from Fufeng to the Department of Commerce, Re: "Withdrawal of Review Request: First Administrative Review of the Antidumping Duty Order on Monosodium Glutamate from the People's Republic of China," dated February 8, 2016. Because the Petitioner's request for review included Fufeng, it was not removed from the administrative review.

⁶ Because of tolling, the deadline for SRAs and SRCs was extended four business days until February 12, 2016. <u>See</u> Memorandum from Ron Lorentzen, Acting Assistant Secretary for Enforcement and Compliance, Re: "Tolling of Administrative Deadlines as a Result of the Government Closure during Snowstorm 'Jonas,'" dated January 27, 2016.

⁷ <u>See</u> Letter from Ajinomoto to the Department of Commerce, Re: "MSG from China: Comments on Respondent Selection," dated February 29, 2016.

Scope of the Order

The product covered by this order is MSG, whether or not blended or in solution with other products. Specifically, MSG that has been blended or is in solution with other product(s) is included in this scope when the resulting mix contains 15 percent or more of MSG by dry weight. Products with which MSG may be blended include, but are not limited to, salts, sugars, starches, maltodextrins, and various seasonings. Further, MSG is included in this order regardless of physical form (including, but not limited to, in monohydrate or anhydrous form, or as substrates, solutions, dry powders of any particle size, or unfinished forms such as MSG slurry), end-use application, or packaging. MSG in monohydrate form has a molecular formula of C5H8NO4Na - H2O, a Chemical Abstract Service (CAS) registry number of 6106–04–3, and a Unique Ingredient Identifier (UNII) number of W81N5U6R6U. MSG in anhydrous form has a molecular formula of C5H8NO4Na, a CAS registry number of 142–47–2, and a UNII number of C3C196L9FG. Merchandise covered by the scope of this order is currently classified in the Harmonized Tariff Schedule of the United States ("HTSUS") at subheading 2922.42.10.00. Merchandise subject to the order may also enter under HTS subheadings 2922.42.50.00, 2103.90.72.00, 2103.90.74.00, 2103.90.78.00, 2103.90.80.00, and 2103.90.90.91. The tariff classifications, CAS registry numbers, and UNII numbers are provided for convenience and customs purposes; however, the written description of the scope is dispositive.⁸

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⁸ <u>See Monosodium Glutamate From the People's Republic of China: Second Amended Final Determination of Sales at Less Than Fair Value and Amended Antidumping Order, 80 FR 487 (January 6, 2015).</u>

Methodology

The Department is conducting this review in accordance with section 751(a)(1)(B) of the Tariff Act of 1930, as amended ("the Act"), and 19 CFR 351.213.9

Preliminary Results of Review

The Department's policy regarding conditional review of the PRC-wide entity applies to this administrative review. 10 Under this policy, the PRC-wide entity will not be under review unless a party specifically requests, or the Department self-initiates, a review of the entity. The Department preliminarily determines that the 38 companies subject to review are part of the PRC-wide entity. None of the 38 companies filed an SRA or an SRC. No review has been requested for the PRC-wide entity. Therefore, the Department preliminarily determines that these companies have not demonstrated their eligibility for separate rate status and are part of the PRC-wide entity. The PRC-wide entity rate is 40.41 percent. 11

Public Comment

Interested parties are invited to comment on the preliminary results and may submit case briefs and/or written comments, filed electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS), within 30 days after the date of publication of these preliminary results of review. 12 ACCESS is available to registered users at http://access.trade.gov and is available to all parties in the Central Records Unit in room B8024 of the main Commerce building. Rebuttal briefs, limited to issues

⁹ For a complete description of the methodology underlying this preliminary result, see "Decision Memorandum for the Preliminary Results of the Antidumping Duty Administrative Review of Monosodium Glutamate from the People's Republic of China; 2014-2015," at 3-4 (dated concurrently with this notice).

¹⁰ See Antidumping Proceedings: Announcement of Change in Department Practice for Respondent Selection in Antidumping Duty Proceedings and Conditional Review of the Nonmarket Economy Entity in NME Antidumping Duty Proceedings, 78 FR 65963, 65970 (November 4, 2013).

See Monosodium Glutamate From the People's Republic of China: Second Amended Final Determination of Sales at Less Than Fair Value and Amended Antidumping Duty Order, 80 FR 487 (January 6, 2015). ¹² See 19 CFR 351.309(c)(1)(ii).

raised in the case briefs, must be filed within five days after the time limit for filing case briefs. 13 Parties who submit case or rebuttal briefs in this proceeding are requested to submit with each argument a statement of the issue, a brief summary of the argument, and a table of authorities. 14

Interested parties who wish to request a hearing, or to participate if one is requested, must submit a written request to the Department within 30 days of the date of publication of this notice. 15 Requests should contain: (1) The party's name, address and telephone number; (2) The number of participants; and (3) a list of issues to be discussed. Issues raised in the hearing will be limited to those raised in the respective case and rebuttal briefs. If a request for a hearing is made, parties will be notified of the time and date for the hearing to be held at the U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington DC 20230.¹⁶ The Department intends to issue the final results of this administrative review, which will include the results of our analysis of all issues raised in the case briefs, within 120 days of publication of these preliminary results in the Federal Register, unless extended, pursuant to section 751(a)(3)(A) of the Act.

Assessment Rates

Upon issuance of the final results of this review, the Department will determine, and U.S. Customs and Border Protection ("CBP") shall assess, antidumping duties on all appropriate entries of subject merchandise covered by this review. ¹⁷ We intend to instruct CBP to liquidate entries containing subject merchandise exported by the companies under review that we determine in the final results to be part of the PRC-wide entity at the PRC-wide rate of 40.41

 ¹³ See 19 CFR 351.309(d)(1) and (2).
 14 See 19 CFR 351.309(c) and (d); see also 19 CFR 351.303 (for general filing requirements).
 15 See 19 CFR 351.310(c)
 16 See 19 CFR 310(d).
 17 See 19 CFR 351.212(b)(1).

percent. The Department intends to issue assessment instructions to CBP 15 days after the date of publication of this review in the <u>Federal Register</u>. ¹⁸

Cash Deposit Requirements

The following cash deposit requirements will be effective upon publication of the final results of this review for shipments of the subject merchandise from the PRC entered, or withdrawn from warehouse, for consumption on or after the publication date, as provided by sections 751(a)(2)(C) of the Act: (1) For companies that have a separate rate, the cash deposit rate will be that established in the final results of this review (except, if the rate is zero or *de minimis*, then zero cash deposit will be required); (2) for previously investigated or reviewed PRC and non-PRC exporters not listed above that received a separate rate in a prior segment of this proceeding, the cash deposit rate will continue to be the existing exporter-specific rate; (3) for all PRC exporters of subject merchandise that have not been found to be entitled to a separate rate, the cash deposit rate will be that for the PRC-wide entity (i.e., 40.41 percent); and (4) for all non-PRC exporters of subject merchandise which have not received their own rate, the cash deposit rate will be the rate applicable to the PRC exporter that supplied that non-PRC exporter. These deposit requirements, when imposed, shall remain in effect until further notice.

Notification to Importers

This notice also serves as a reminder to importers of their responsibility under 19 CFR 315.402(f)(2) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this review period. Failure to comply with this

¹⁸ For a full discussion of this practice, see Non-Market Economy Antidumping Proceedings: Assessment of Antidumping Duties, 76 FR 65694 (October 24, 2011).

requirement could result in the Department's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

We are issuing and publishing these preliminary results in accordance with sections 751(a)(1) and 777(i) of the Act, and 19 CFR 351.213(h) and 351.221(b)(4).

Christian Marsh Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations

August 1, 2016

Date

Appendix I

List of Topics Discussed in the Preliminary Decision Memorandum:

- 1. Summary
- 2. Background
- 3. Scope of the Order
- 4. Non-Market Economy Country Status
- 5. PRC-Wide Entity

[FR Doc. 2016-18669 Filed: 8/4/2016 8:45 am; Publication Date: 8/5/2016]